

**UNITED STATES BANKRUPTCY COURT
FOR THE WESTERN DISTRICT OF MICHIGAN**

In re:

MARGARET A. ZAJAC,

Case No. HT03-06167

Debtor.

Chapter 7

_____ /

**STIPULATION BETWEEN TRUSTEE AND DEBTOR
REGARDING NON-EXEMPT EQUITY IN REAL PROPERTY**

James W. Boyd, the duly appointed Chapter 7 Trustee in this matter, and Margaret A. Zajac, by and through her Attorney Paul I. Bare, hereby stipulate and agree as follows:

1. This matter was filed under Chapter 7 of the Bankruptcy Code on May 13, 2003. James W. Boyd is the duly appointed Chapter 7 Trustee.
2. The Debtor owns residential real property in Manistee, Michigan which had equity of approximately \$45,000 as of the date of the bankruptcy filing. She has \$17,425 in exemption available pursuant to 522(d)(5) of the Bankruptcy Code to apply to the equity, resulting in an overexemption of \$27,575.
3. The Trustee and the Debtor agree that the Debtor will pay the sum of \$27,575 in full satisfaction of the overexemption. She has executed a Mortgage Note providing for payment of the settlement funds in monthly installments for eight years. The Debtor has given the Trustee a mortgage on the subject property as security.
4. The Trustee intends to sell and assign all of the bankruptcy estate's rights and interest in said note and mortgage to a third party pursuant to Section 363 of the Bankruptcy Code.
5. This stipulation is subject to the approval of the Bankruptcy Court.

Dated: October 22, 2004

/s/ _____
Paul I. Bare (P26843)
511 S. Union
Traverse City, MI 49684
(231) 946-4901

Dated: October 27, 2004

/s/ _____
James W. Boyd, Trustee
412 South Union
Traverse City, MI 49684
(231) 947-7900